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MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE
Michigan Employment Security Commission

UNEMPLOYMENT EDGES UP IN OCTOBER

The Michigan unemployment rate edged upward by three-tenths of a percentage point as the jobless rate rose from 6.9 percent in September to 7.2 percent in October. The rate increase represents 12,000 additional individuals out of work, as total local residents seeking employment climbed to 327,000. The rise in joblessness was primarily a result of seasonal decline in the labor force as most students and other temporary employees left the work force when their summer jobs ended. Total employment in October registered a drop as the number of employed area residents decreased by 29,000 to reach 4,236,000. Additionally, the civilian labor force dropped to 4,563,000, a deficit of 16,000. Compared with a year ago, employment in Michigan has declined by 85,000, while the size of the labor force has dropped by 121,000. In October 1989, the total number of persons out of work amounted to 363,000, representing an unemployment rate of 7.7 percent.

SEASONAL GAIN IN PUBLIC SECTOR EMPLOYMENT

Total nonagricultural wage and salary employment in Michigan rose as industry jobs advanced to 3,945,000 in October. Employment opportunities moved forward by approximately 26,000 as gains were centered in the service producing sector of the economy. Total employment in the goods producing industries slipped by 7,000 primarily as a result of declines in the construction and manufacturing industries. Service producing employment increased by 32,000 to 2,855,000 in October, as seasonal gains in government accounted for most of the movement upward. Public sector positions jumped by 32,000 as public schools completed rehiring their support personnel with the arrival of fall. Since October 1989, industry employment in Michigan has decreased by 12,000 positions or three-tenths of one percent. Approximately 35,000 goods producing jobs have been lost throughout the year, while service producing employment expanded by 23,000.

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	OCT 1990	SEP 1990	AUG 1990	OCT 1989
PLACE OF RESIDENCE *				
Civilian Labor Force	4563	4579	4697	4684
Employment	4236	4265	4348	4321
Unemployment	327	315	349	363
Rate	7.2	6.9	7.4	7.7
PLACE OF WORK *				
Wage and Salary Employment	3945	3919	3883	3957
Goods Producing Industries	1090	1097	1089	1125
Construction	143	144	145	150
Manufacturing	939	944	936	964
Durable Goods	702	708	698	727
Lumber and Wood Products	16	16	16	16
Furniture and Fixtures	36	36	36	36
Stone, Clay and Glass	18	18	18	18
Primary Metals	42	43	42	44
Fabricated Metals	123	122	121	125
Industrial Machinery	121	122	121	125
Electrical Machinery	32	33	33	34
Transportation Equipment	288	292	285	303
Motor Vehicles and Equipment	269	274	266	284
Nondurable Goods	237	236	238	238
Food and Kindred Products	48	48	49	48
Textiles and Apparel	21	21	21	21
Paper and Allied Products	20	20	21	21
Printing and Publishing	45	45	45	45
Chemicals and Allied Products	45	45	46	45
Rubber and Misc. Plastics	52	51	51	53
Service Producing Industries	2855	2822	2793	2832
Trans., Comm. and Utilities	155	156	156	153
Wholesale Trade	199	200	201	201
Durable Goods	126	126	127	130
Nondurable Goods	73	74	74	72
Retail Trade	728	725	736	725
General Merchandise Stores	108	106	106	112
Food Stores	103	103	104	101
Auto. Dealers and Serv. Stns.	79	78	79	79
Apparel and Access. Stores	40	40	41	41
Eating and Drinking Places	257	257	264	251
Finance, Insurance and Real Estate	193	193	195	189
Services	928	927	927	915
Hotels and Lodging Places	34	35	36	33
Personal Services	39	39	39	37
Business Services	177	178	177	177
Health Services	296	296	297	290
Social Services	62	60	57	60
Government	653	621	577	648
Federal	61	61	62	61
State	174	165	152	170
Local	418	396	363	417
Labor Disputes	0	0	0	0

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1989 Benchmark.
WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1989 Benchmark.
Suppressed data included in: X=Totals, A=Other Durable Goods, B=Other Nondurable Goods.
Due to the suppression of data, the industry estimates do not sum to the total wage and salary estimate.
*** DATA IS IN THOUSANDS**

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits increased in the month of October. The regular benefits claims load averaged 89,438 per week during the month, approximately 3,171 more than the September total. The 3.7 percent increase was primarily due to employment cutbacks in the automotive industry. In October 1989, the number of claimants drawing benefits under the regular benefit program averaged 86,486.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
October 06, 1990	99,100	15,800	83,300	40,800	5,600	35,200
October 13, 1990	104,300	16,800	87,500	41,800	5,800	36,000
October 20, 1990	103,600	16,500	87,100	44,000	6,800	37,200
October 27, 1990	105,600	17,100	88,500	43,300	6,500	36,800

DETROIT AREA COST OF LIVING MOVES UPWARD

Consumer prices in the Detroit metropolitan area increased from 129.4 in August to 131.8 in October. The increase in Detroit area prices was primarily due to higher costs for transportation and apparel and upkeep. Prices in the area climbed by 5.8 percent since October 1989, when the consumer price index stood at 124.6. At the national level, the cost of living advanced by six-tenths of a percent to reach 133.5 during the month. The higher national prices were also due to additional costs for transportation and apparel and upkeep. Between October 1989 and October 1990, national consumer prices increased by 6.3 percent. One year ago, the national index registered 125.6. Note: Beginning in January 1987, the Consumer Price Indexes were shifted to a new reference base year. All indexes expressed on a 1967=100, were rebased to 1982-1984=100.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries decreased to 42.9 hours in October. The decrease occurred primarily as a result of fewer hours worked by individuals in the fabricated metal products industry. During the month, average hourly earnings increased by ten cents to $14.12, while average weekly earnings increased by $1.49 to total $605.75. In October 1989, earnings averaged $13.59 an hour or $583.01 per week for a 42.9 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Weekly Earnings a/			Average Weekly Hours a/			Average Hourly Earnings a/		
	Oct 1990	Sep 1990	Oct 1989	Oct 1990	Sep 1990	Oct 1989	Oct 1990	Sep 1990	Oct 1989
TOTAL MANUFACTURING	$605.75	$604.26	$583.01	42.9	43.1	42.9	$14.12	$14.02	$13.59
DURABLE GOODS	647.09	641.45	617.62	43.4	43.4	43.1	14.91	14.78	14.33
Primary Metal Products	655.25	657.97	600.81	43.8	44.1	42.4	14.96	14.92	14.17
Fabricated Metal Products	596.50	599.94	567.24	43.1	43.6	42.3	13.84	13.76	13.41
Industrial Machinery	596.94	599.67	582.10	43.7	43.9	43.8	13.66	13.66	13 29
Electrical Machinery	516.70	509.33	480.39	43.9	43.2	42.4	11.77	11.79	11.33
Motor Vehicles & Equip.	791.18	776.59	745.52	44.2	44.2	43.7	17.90	17.57	17.06
NONDURABLE GOODS	479.41	485.20	474.88	41.4	41.9	42.4	11.58	11.58	11.20
Construction	599.41	650.43	632.81	37.3	40.5	39.9	16.07	16.06	15.86
Department Stores	193.90	194.32	189.28	27.7	27.8	28.0	7.00	6.99	6.76

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
OCTOBER 1990 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	125,020,000	118,299,000	6,722,000	5.4
Michigan	4,563,000	4,236,000	327,000	7.2
Major Labor Markets				
Ann Arbor MSA	164,000	156,200	7,800	4.8
Battle Creek MSA	65,100	60,800	4,400	6.7
Benton Harbor MSA	78,500	73,100	5,400	6.9
Detroit MSA	2,148,000	1,993,000	155,000	7.2
Flint MSA	181,200	162,500	18,700	10.3
Grand Rapids MSA	374,200	352,700	21,500	5.7
Jackson MSA	64,600	59,700	4,900	7.7
Kalamazoo MSA	119,400	113,400	6,000	5.1
Lansing MSA	240,400	227,500	12,900	5.4
Muskegon MSA	67,200	61,100	6,100	9.1
Saginaw-Bay-Midland MSA	187,300	174,500	12,800	6.8
Upper Peninsula LMA	141,000	128,800	12,100	8.6
Major Counties (18,000+)				
Allegan	59,025	55,775	3,250	5.4
Barry	22,650	21,150	1,525	6.7
Bay	53,600	50,000	3,600	6.7
Cass	24,175	22,300	1,850	7.7
Clinton	30,850	29,050	1,800	5.8
Eaton	53,250	50,500	2,750	5.1
Grand Traverse	36,325	34,000	2,325	6.4
Gratiot	19,125	17,800	1,325	6.9
Hillsdale	20,075	18,400	1,675	8.3
Ingham	156,300	147,950	8,350	5.3
Ionia	19,900	17,600	2,275	11.5
Isabella	33,800	32,250	1,550	4.6
Kent	273,225	257,025	16,200	5.9
Lapeer	33,900	30,875	3,025	8.9
Lenawee	43,825	40,250	3,575	8.2
Livingston	55,675	52,300	3,375	6.1
Macomb	373,975	348,125	25,850	6.9
Marquette	31,425	28,050	3,375	10.7
Midland	36,350	34,525	1,825	5.0
Monroe	64,225	59,275	4,950	7.7
Montcalm	23,575	20,475	3,100	13.2
Oakland	575,950	545,225	30,725	5.3
Ottawa	100,950	95,650	5,300	5.3
Saginaw	97,350	89,950	7,400	7.6
St. Clair	66,200	60,950	5,250	7.9
St. Joseph	27,400	24,500	2,900	10.6
Sanilac	20,225	18,575	1,675	8.2
Shiawassee	34,525	31,350	3,200	9.3
Tuscola	24,800	22,700	2,100	8.5
Van Buren	33,675	30,925	2,775	8.2
Wayne	977,925	896,200	81,725	8.4

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